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Supreme Court of the United States.

No. 605 OCTOBER TERM, 1953.

GEORGE WASHINGTON PIERCE,

Petitioner,

v.

AMERICAN COMMUNICATIONS COMPANY, INC.,

Respondent.

PETITIONER'S REPLY BRIEF.

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Supreme Court of the United States.

No. 605 OCTOBER TERM, 1953.

GEORGE WASHINGTON PIERCE,
Petitioner,

v.

AMERICAN COMMUNICATIONS COMPANY, INC.,
Respondent.

PETITIONER'S REPLY BRIEF.

On p. 4 of its brief, under "The Question Presented", the respondent presents two questions: (a) relating to infringement; and (b) relating to validity. Neither of these questions is before this Court.

The questions that are before this Court, stated very briefly, are:

One, whether this Court should clarify its dictum, in the *Saranac* case, to the effect that the public is free to use the invention of an expired patent.

Two, whether this Court should resolve the conflict between the decision of the Court of Appeals for the First Circuit and the decisions everywhere else throughout the country.

Three, whether, after a patentee has once obtained an

admittedly valid[1] patent, having paid the consideration therefor demanded by Section 4888 of the Revised Statutes, he may be deprived of any part of the seventeen years protection granted him, under the provisions of Section 4884 of the Revised Statutes.

Four, whether this Court should correct the misunderstanding of the Court of Appeals for the First Circuit as to what was decided in *Miller* v. *Eagle Manufacturing Company,* 151 U.S. 186.

Five, whether this Court should construe Section 121 of the new Patent Act, particularly in view of the fact that conflict of decision has already arisen.

With respect to topic One, the respondent argues, p. 8 of its brief, that this Court, in the *Saranac* case, has "reversed" the universally accepted law that two properly separable generic and specific patents, with necessarily overlapping claims, are both valid. If there had, in fact, been such a reversal (which, as will be demonstrated, there has not been), the second patent would, of course, have been void for double patenting over the first patent, and the public would then have had the right freely to use the invention of the assumedly void second patent. This still would not, however, support the respondent's argument that this Court's decision, in the *Saranac* case, permits the public to use the invention of an expired patent if, by so doing, the public would infringe an admittedly valid unexpired basic patent.

On p. 12 of its brief, the respondent relegates topic Two

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[1]The petitioner has not overlooked the respondent's incorrect statement, p. 5 of its brief, that the petitioner's basic patent 2,133,642 is not "admittedly valid". There is no dispute but that the Court of Appeals did not overturn the District Court's holding of validity, and there is further no dispute that the Court of Appeals held (R. 669a):

> In its oral argument before us the defendant stated its willingness to accept the lower court's statement of facts and contended that in view of such facts there is a clear case of double patenting in this action.

to an Appendix, but this Appendix does not discuss the matter of conflict of decisions, at all.

Topic Three is completely ignored in the respondent's brief.

With respect to topic Four, the respondent discusses quite fully this Court's holding in *Miller* v. *Eagle Manufacturing Company* and also several further decisions to the same effect, but these are all concerned with cases in which the later patent was held invalid for double patenting. The respondent has not found a single case in which the principle of *Miller* v. *Eagle Manufacturing Company* was held to apply where the later patent was held valid.

As for topic *Five,* relating to Section 121 of the new Patent Act, the respondent, p. 15 of its brief, cites a decision of the Court of Customs and Patent Appeals, relating to patent applications still on file, but says nothing about the two decisions relating to already issued patents by the District Court and the Court of Appeals for the Ninth Circuit.[2]

Topic One. This Court's Ruling, In The *Saranac* Case, Does Not Support The Respondent's Argument That The Public Is Free To Use The Invention Of An Expired Patent If, By So Doing, The Public Would Infringe A Valid Unexpired Basic Patent.

On p. 8 of its brief, the respondent says that this Court has "reversed" the holding, by the Court of Appeals for the Sixth Circuit, in *Wirebounds Patents Co.* v. *Saranac*

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[2]In connection with this topic Five, the respondent, on p. 13 of its brief, makes another of its numerous mis-statements, namely, that, with respect to the new Patent Act,

> This is a point which Petitioner had first mentioned, but then dropped in both courts below.

Since it is necessary to go outside of the record to refute this, the matter will be discussed in the Appendix.

Automatic Mach. Corporation, 6 Cir., 1930, 37 F.2d 830, 837, that

> the rule is now universally accepted that, as to typical and properly separable generic and specific patents, the incidental extension of the smaller monopoly does not affect the validity of either patent.

Such properly separable generic and specific patents are described, on p. 715 of this Court's decision, in the *Saranac* case, as "overlapping" specific and generic patents.

This "universally accepted" rule, however, was merely to the effect that both such overlapping patents are valid; and, if the respondent's argument were correct that this Court's decision, in the *Saranac* case, did actually "reverse" this "universally accepted" rule, the effect of such reversal would be to invalidate the second of these two overlapping patents upon the ground of double patenting. It would not have the effect of permitting the public to use the invention of an expired patent if, by so doing, it would infringe a valid basic unexpired patent.

But the respondent's argument is not correct. There was not any issue of double patenting involved in this Court's decision in the *Saranac* case. Despite the statement, on p. 7 of the respondent's brief, that it was the double patenting "principles" of *Miller* v. *Eagle* that

> were reasserted and applied by this Court in the *Saranac* case,

the decision of this Court in the *Saranac* case had nothing whatever to do with those "principles", and the case of *Miller v. Eagle Manufacturing Company* is not even mentioned in this Court's opinion in the *Saranac* case.

Far from "reversing" this "universally accepted" rule, on the contrary, this Court's opinion, in the *Saranac* case, went out of its way to state very plainly that it was doing no such thing. The sole basis for this Court's reversal of the decision of the Court of Appeals for the Sixth Circuit was that the patent in suit was invalid for lack of invention. This appears from the last two lines of the very quotation from this Court's decision, on pp. 8 and 9 of the respondent's brief.

The respondent has omitted, from this quotation, the following immediately preceding sentence:

> The question therefore is not one of * * * *double patenting, or of the overlapping, of specific and generic patents* (italics supplied).

The "universally accepted" rule is still good law, not only in the Sixth Circuit, but also in all other circuits.

Insofar as the Sixth Circuit is concerned, the Court of Appeals for that Circuit again applied that "universally accepted" rule, promptly after this Court's decision in the *Saranac* case, in *Gear Grinding Mach. Co.* v. *Reo Motor Car Co.*, 6 Cir., 1931, 50 F.2d 412, 413:

> it is pointed out in our opinion in the *Wirebounds* case that it has long been the settled rule in this circuit, as in others, that where applications were copending the earlier grant of the specific did not invalidate the later grant of the generic.

The same ruling was made, both by the District Court and the Court of Appeals for the Sixth Circuit, in *Hope Basket Co.* v. *Product Advancement Corporation*, D.C., *Mich.*, 1950, 89 F. Supp. 116, 127, aff., 6 Cir., 1951, 187 F.2d

1008, 1013. The District Court said specifically, in the footnote, that this Court's opinion, in the *Saranac* case, was "upon other grounds", than double patenting or overlapping patents.

The Courts of the Sixth Circuit are not, however, the only Courts that disagree with the respondent's understanding of what this Court decided in the *Saranac* case. The following partial list of cases, all decided after this Court's decision in the *Saranac* case, will demonstrate that fact. (Some of these mention the *Saranac* and the *Gear Grinding Mach. Co.* cases, but most of them do not do even that.)

In re Carlton, C.C.P.A., 1935, 77 F. 2d 363, 365, p. 21 of the brief in support of the petition.

Application of Coleman, C.C.P.A., 1951, 189 F.2d 976, 979, p. 22 of the brief in support of the petition.

Cowles Co. v. *Frost White Paper Mills, Inc.,* D.C., S.D., N.Y., 1948, 77 F. Supp. 124, 130, aff. 1949, 2 Cir., 174 F.2d 868.

Fehr v. *Activated Sludge, Inc.,* 7 Cir., 1936, 84 F. 2d 948, 953, 957, p. 35 of the brief in support of the petition.

In re Ferenci, C.C.P.A., 1936, 83 F.2d 279, 286, p. 21 of the brief in support of the petition.

Food Machinery Corporation v. *American Fruit Machinery Corporation,* D.C. Fla., 1945, 64 U.S. P.Q. 455, p. 28 of the brief in support of the petition.

Hartford-Empire Co. v. *Obear-Nester Glass Co.,* 8 Cir., 1934, 71 F. 2d 539, 561, certiorari denied, 293 U.S. 625.

Jordan v. *Hemphill Co.,* 4 Cir., 1950, 180 F. 2d 457, 459.

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Radio Corporation of America v. *Radio Engineering Laboratories, Inc.*, D.C., E.D., N.Y., 1 F. Supp. 65, 81, aff. 293 U.S. 1.

Scovill Mfg. Co. v. *Radio Corporation of America*, S.D., N.Y., 1935, 9 F. Supp. 239, 242, p. 21 of the brief in support of the petition.

None of the courts that rendered these decisions regard the enforcement of the later overlapping patent as constituting an extension of the monopoly of the first patent. This is a contention that, as pointed out by the Court of Appeals for the Sixth Circuit, in the *Saranac* case, at p. 837, Judge Taft pronounced a "reductio ad absurdum".

And none of the courts that rendered these decisions have obtained the respondent's understanding that this Court's dictum, in the *Saranac* case, to the effect that the public is free to use the invention of an expired patent, means that the public is permitted, by so doing, to infringe an admittedly valid unexpired patent.

As the respondent itself understands, the *Saranac* decision is not the first in which this Court pronounced this dictum.

In the footnote, on p. 9 of its brief, for example, the respondent quotes similar dicta from two further decisions of this Court. One of them, *Singer Manufacturing Company* v. *June Manufacturing Company*, 163 U.S. 169, 185, dates as far back as 1896. The very next year, 1897, however, in *United States* v. *American Bell Telephone Com-*

pany, 167 U.S. 224, 243, this Court added that the right of the public to use the invention of Alexander Graham Bell's expired telephone patent was only a "barren one", because, p. 244,

> the instrument was subject to two independent monopolies,

with the result, p. 243, that

> the telephone monopoly is practically extended to the termination of the Berliner patent.

This Court continued, p. 247, that such so-called extension of the monopoly is perfectly proper and legal.

The Government contended, in that suit, that the extension of the monopoly resulted from the fraud of the telephone company, the assignee of both the Bell and the Berliner patents, in deliberately delaying the issuance of the Berliner patent; and the Government argued that the Berliner patent should therefore be cancelled, on account of this fraud.

It will be noted that the Government did not argue, as the respondent argues here, that the Berliner patent, though valid, should not be enforced. It argued that the Berliner patent should be invalidated, by cancelling it.

This Court, however, rejected the Government's argument, p. 246:

> The mere fact of delay does not, therefore, operate to deprive the inventor of his legal rights. Before he can be punished it must be shown that he has been guilty of a wrong—that he has caused the delay.

The second case quoted from, in the footnote on p. 9 of the respondent's brief, is *Special Equipment Co.* v. *Coe,* 324 U.S. 370, 378. This Court did not, on this p. 378, how-

ever, overrule what it said on p. 377, as quoted on p. 20 of the brief in support of the petition, to the effect that

> The statutes permit * * * claims to a combination and also its sub-combinations;

else either the combination patent or the sub-combination patent would be unenforceable upon the expiration of the other patent.

With respect to *Scott Paper Co.* v. *Marcalus Manufacturing Co., Inc.*, 326 U.S. 249, also quoted from by the respondent, that case, like the *Saranac* case, was decided purely upon the ground that the patent in suit was invalid. Invalidity of the patent, indeed, was admitted; and the only question for decision was whether the assignor of the invalid patent should be held estopped to invoke the defense of invalidity.

The respondent cites also *Lucien Lelong, Inc.* v. *Lander Co.*, 2 Cir., 1947, 164 F. 2d 395, 397, to demonstrate that Circuit Courts of Appeals are also beginning to repeat the dictum that the public is free to use the invention of an expired patent.

The Court of Appeals for the First Circuit has been misled by these dicta. In none of these additional cases, cited by the respondent, any more than in the *Saranac* case, was it held that an admittedly valid patent is unenforceable after the expiration of some other patent.

This Court should, therefore, assume jurisdiction of this petition for certiorari, in order to prevent further courts becoming similarly misled.

> *Topic Two.* The Decision Of The Court Of Appeals For The First Circuit Is In Conflict With The Law Everywhere Else.

In the *Saranac* case, the Court of Appeals for the Sixth Circuit held that the public is not free to use the invention

of an expired patent if, by so doing, the public would infringe a valid unexpired patent. It has been demonstrated above that this Court did not "reverse" that holding. This Court would have sustained the decision of the Court of Appeals for the Sixth Circuit, in the *Saranac* case, if the patent in suit had been valid.

It has been demonstrated, on pp. 26 to 42, inclusive, of the brief in support of the petition, that, with the exception of only one lower-court decision, in Illinois, dated 1906 (and the respondent has been unable to cite even a single one additional such exception), the holding of the Court of Appeals for the First Circuit, to the effect that an admittedly valid basic patent is unenforceable after the expiration of another patent, though enforceable prior to such expiration, is in conflict with many decisions of the upper and lower courts in at least the Second, Third, Fifth, Sixth, Seventh and Eighth Circuits.

The respondent does not dispute this conflict. On p. 9 of its brief, it says merely that

> It would be *impossible* for Respondent to employ the combination claimed in claim 2 of the expired patent 96 without using patent 42 (italics the respondent's).

This, however, is precisely the same argument that was advanced in the cases discussed and quoted from, for example, on pp. 26, 28, 32 and 34, and that was discussed by Judge Taft as quoted on p. 36 of the brief in support of the petition. The respondent advances also further arguments, such as that the combination of the expired patent 1,789,496, is not an "improvement" upon the Pierce oscillator of

patent 2,133,642, and that there is a further distinguishing characteristic in that the application for the expired patent 1,789,496 was a division of the application for the basic patent 2,133,642. These further arguments likewise do not present anything different from what was considered in the cases discussed on pp. 26 to 42 of the brief in support of the petition. None of these arguments, therefore, resolves the conflict in the decisions.

This conflict of decisions is another reason why this Court should take jurisdiction.

Topic Three. The Respondent Admits That The Decision Of The Court Of Appeals Deprives The Petitioner Of Rights Vested Under Sections 4884 And 4888 Of The Revised Statutes.

On pp. 41 and 42 of the brief in support of the petition, there are quotations from several courts to the effect that a patent constitutes a contract between the patentee and the United States Government.

In the present instance, the Government entered into two contracts with the petitioner, one represented by the combination patent 1,789,496, and the other by the element patent 2,133,642; and, as this Court said, in *Leeds and Catlin Company* v. *Victor Talking Machine Company*, 213 U.S. 301, 319, as quoted on p. 20 of the brief in support of the petition

> Each invention is given the full period of seventeen years, which the statute prescribes for it.

Though the petitioner has paid the full consideration demanded by Section 4888 of the Revised Statutes by filing with the Commissioner of Patents a written description of

the Pierce oscillator, the Court of Appeals for the First Circuit has now violated the contract between the United States Government and the petitioner.

By failing to discuss Topic Three, the respondent has indicated that it agrees with the petitioner that this Court should grant certiorari for at least the purpose of deciding whether the Court of Appeals for the First Circuit has properly construed Sections 4884 and 4888 of the Revised Statutes.

Topic Four. The Court's Decision, In *Miller* v. *Eagle Manufacturing Company,* 151 U.S. 186, Is Applicable In Cases Only Where The Second Patent Is Invalid, For Double Patenting.

In *Miller* v. *Eagle Manufacturing Company,* as explained on p. 43 of the brief in support of the petition, the two patents claimed the same identical invention, namely, a spring D, though the claims of the two patents were of different degrees of breadth.

In *Palmer Pneumatic Tire Co.* v. *Lozier,* 6 Cir., 1898, 90 F. 732, there was again only one invention involved, namely, a novel fabric for a tire. The patentee was permitted to claim that one invention either as a novel fabric, or as a tire embodying the fabric, but not both. This is explained by all the courts that discuss the *Lozier* case, including the very court that decided the *Lozier* case, the Court of Appeals for the Sixth Circuit, *Dayton Fan & Motor Co.* v. *Westinghouse Electric & Mfg. Co.*, 6 Cir., 1902, 118 F. 562, 574-575, and *Cleveland Foundry Co.* v. *Detroit Vapor Stove Co.*, 6 Cir., 1904, 131 F. 853, 858-859.

Otis Elevator Co. v. *Portland Co.*, 1 Cir., 1903, 127 F. 557, again applied the principle of *Miller* v. *Eagle Manufacturing Company.* The two patents 359,551 and 453,955 there

considered both described a "single cable-operating device" as a control for a hydraulic elevator. "The only difference", p. 560, between the devices of the two patents was that the operation of one of them was effected with the aid of double-grooved pulleys, and that of the other patent with the aid of single-grooved pulleys. The plaintiff contended that both patents claimed the "single cable-operating device" generically or broadly. Accepting this contention, the Court had no choice but to hold the second patent void for double patenting.

Neither the *Lozier* case, nor the *Portland Co.* case, any more than *Miller* v. *Eagle Manufacturing Company*, therefore, supports the holding of the Court of Appeals for the First Circuit that a valid patent is unenforceable. In all these cases, the second patent was held invalid, for double patenting.

The doctrine of *Miller* v. *Eagle Manufacturing Company* is to be distinguished from the "universally accepted" rule that two patents with overlapping claims for separate inventions are both valid. To the Court of Appeals for the First Circuit, however, it made no difference whether the petitioner's two patents 1,789,496 and 2,133,642 do or do not cover separate inventions (R. P. 679a):

> But it is not necessary for the disposition of the present action for us to decide whether or not the two patents may possibly cover separate inventions. We only hold that the generic patent No. 2,133,642 when read specifically on the accused combined transmitting and receiving systems discloses no invention distinct and separate from that of patent No. 1,789,496.

The important consideration, to the Court of Appeals for the First Circuit, was that the public should be free to use

the invention of an expired patent, in accordance with the dictum of this Court, in the *Saranac* case (R. P. 679a):

> The plaintiff by means of patent No. 1,789,496 has already received the full seventeen years protection granted him by law on such systems. We cannot now extend that monopoly under the mantle of patent No. 2,133,642. *Saranac Mach. Co* v. *Wirebounds Co.*, supra.

This is not, however, the doctrine of *Miller* v. *Eagle Manufacturing Company*, at all.

The Court of Appeals for the First Circuit has misapplied the law of *Miller* v. *Eagle Manufacturing Company*. It would, therefore, appear that this Court ought to take jurisdiction, in order to prevent repetition of this error by other courts.

Topic Five. The Applicability Of The New Patent Act.

While the respondent, at the top of p. 14 of its brief, quotes part of a sentence from House Report No. 1923, 82nd Congress, 2nd Session, that Section 121 of the new Patent Act

> enacts as law existing practice with respect to division,

the respondent very carefully omits the immediately following part of that sentence:

> *at the same time introducing a number of changes.* (italics supplied).

It is one of these *changes*, as explained on pp. 50 and 51 of the brief in support of the petition, that the Court of Appeals for the First Circuit has overlooked.

The respondent does not deny that the decisions of the District Court and the Court of Appeals for the Ninth Circuit, as stated on pp. 49 and 50 of the brief in support of the petition, are in conflict with the decision of the Court of Appeals for the First Circuit.

It is of very great importance to the status of the large number of existing patents granted prior to the new Patent Act that this Court resolve this conflict of statutory interpretation.

Conclusion.

It is therefore respectfully submitted that this Court should take jurisdiction to clarify its decisions in the *Saranac* and *Miller* v. *Eagle Manufacturing Company* cases, resolve the conflict between the First Circuit and the remaining jurisdictions, and to construe Sections 4884 and 4888 and the New Patent Act.

Respectfully submitted,

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APPENDIX

The Petitioner Argued The New Patent Act Both Before The District Court And The Court Of Appeals For The First Circuit.

As stated in the footnote on p. 3, *supra*, the respondent says that the petitioner "dropped" his argument relating to the new Patent Act "in both courts below". It is necessary to go outside of the record to demonstrate that this is not true. The petitioner argued with respect to the new Patent Act both orally and by brief, both in the District Court and the Court of Appeals.

This Court will be obliged to weigh the statement of the attorney for the petitioner, against that of the attorney for the respondent, that he did argue, orally, the applicability of Section 121 of the new Patent Act, in the Court of Appeals. There was no stenographic record of that oral argument.

There was, however, a stenographic record of the oral argument in the District Court, pp. 150-151:

> Mr. Rines: It has been demonstrated these are two separate inventions, although one invention may include the other. That is, the invention of this second patent may include one of these oscillators.

In order to understand this remark, the Court will recall that, as explained on p. 5 of the petition, the novelty of the *combination* of the combined transmitting-and-receiving system of the petitioner's expired patent 1,789,496 resides in

> a *cooperation* of frequency control at the transmitting station with control at the receiving station;

that the novelty of the petitioner's basic unexpired patent 2,133,642 resides rather in a novel oscillator, the Pierce oscillator; and that *two* of these Pierce oscillators (as admitted by the third complete paragraph on p. 2 of the respondent's brief) may be employed as *two elements* of the *combination* of the combined transmitting-and-receiving system, as set forth in claim 2 of the expired patent 1,789,496; but that the novel *cooperation* of the frequency control at the transmitting and receiving ends of the combined transmitting-and-receiving system may be effected also by means other than Pierce oscillators, as set forth in claims 1 and 3 of the expired patent 1,789,496.

The petitioner's argument in the District Court continued:

> I am going to demonstrate the unsoundness of the argument as to double-patenting in two ways; first, with respect to *the present law. The present law went into effect this month.* And secondly, with respect to the old law.
>
> *The present law, Section 121,* reads as follows [reading]
>
> > "If two or more independent and distinct inventions are claimed in one application, the Commissioner may require the application to be restricted to one of the inventions."
>
> By "restriction" the new law means division. Then it goes on [reading]
>
> > "A patent issuing on an application with respect to which a requirement for restriction under

> this section has been made, or on an application filed as the result of such a requirement, shall not be used as a reference either in the Patent Office or in the courts against a divisional application or against the original application or any patent issued on either one of them, if the divisional application is filed before the issuance of the patent on the other application."
>
> Whatever the law was before, *the law is now* the Patent Office requires division and you file the divisional case before the other case, the parent case goes out. We are all through with that. The courts have struggled with it for years and we now have it in legislation (italics supplied).

The petitioner's brief before the District Court contained a title II5A, as follows:

The Law Relating To Double Patenting

Under this title, the petitioner first discussed cases in accord with the "universally accepted" rule relating to overlapping patents that, according to the respondent, have been "reversed" by this Court's holding, in the *Saranac* case.

The petitioner's brief in the District Court then cited some of the cases discussed on pp. 16 to 23 of the brief in support of the petition, to demonstrate that the petitioner was entitled to both patent 1,789,496, and 2,133,642; the former for the *combination*, and the latter for the Pierce-oscillator, two of which are employed as *elements* of that combination.

The argument under this title II5A, concluded as follows:

> the plaintiff was not permitted, by the Patent Office, to claim the combined-transmitting-and-receiving system of patent 1,789,496 (DX 6) in the same patent with the Pierce oscillator, in patent 2,133,642, in suit. The Courts have refused to penalize a patentee, under such circumstances, with holdings of double patenting.

In *Badische Anilin & Soda Fabrik* v. *A. Klipstein & Co.*, S.D., N.Y., 1903, 125 F.543, 554, for example, the Court said that

> > It would be a failure of justice if the patentee of a meritorious invention should be deprived of the fruits of his labors because an arbitrary rule of the Patent Office has brought about complications not contemplated, if authority can be found for securing it to him. Such authority is not wanting in this circuit, where it has been held that an inventor has the right by contemporaneous applications to a generic and specific patents, and that when he has thus applied he shall not lose his generic patent because one or more of the specific patents may happen to be issued first.

A similar ruling was made in *National Tube Co.* v. *Steel & Tubes, Inc.*, 3 Cir., 1937, 90 F.2d 52, 54.

In re Cady, C.C.P.A., 1935, 77 F.2d 106, 109, the Court of Customs and Patent Appeals held that

> > where the Primary Examiner in requiring division must have been of the opinion that the inventive

distinction between appellant's process and product claims was clear, his decision should not be lightly overruled.

In *General Electric Co.* v. *F. R. Mallory & Co, Inc.*, 2 Cir., 1924, 298 F.579, 584, the Court said

> It is to us plain that there was no double patenting; but what the point really suggests is that the long-settled practice of the Office, requiring division of applications thought to reveal more than a single invention, leads to logical difficulties far greater than could be found in a patent covering numerous inventive concepts, provided the claims were severally confined to one invention only.

This suggestion has been embodied in *Section 121 of the new Patent Act*, Title 35, U.S.C., Public Law 593, 66 Stat. 792, approved July 19, 1952, to take effect, January 1, 1953 (italics supplied).

Attention is invited also to the plaintiff's proposed Findings of Fact and Conclusions of Law, filed in the District Court. The nineteenth and twentieth proposed Conclusions of Law were as follows:

> 19. Under the provisions of Sec. 121 of the new Patent Act, Title 35, U.S.C., Public Law 593, 66 Stat. 792, approved July 19, 1952, which took effect on January 1, 1953, patent 2,133,642 is not invalid for double patenting over the invention of the combined transmitting-and-receiving system of the plaintiff's patent 1,789,496, issued upon a divisional application of the application for patent 2,133,642.
>
> Plaintiff's brief, page 323

20. There would have been no double patenting even under the old law, for the combined transmitting-and-receiving system of patent 1,789,496 constituted a separate invention from the invention of the Pierce oscillator; the presumption that it constituted such separate invention, arising out of the Patent Office requirement for division, has not been overcome; that separate invention could be practiced with other oscillators than the Pierce oscillator; and an element of a complete combination, or a sub-combination thereof, is not the same invention as the complete combination itself.

Plaintiff's brief, pages 317-323

The petitioner's brief in the Court of Appeals for the First Circuit, pp. 46-47, contained the following:

Section 121 of the New Patent Act and Decisions Leading to its Enactment.

The District Sourt cited (475a) a decision of the Court of Customs and Patent Appeals, in re *Cady*, C.C.P.A., 1935, 77 F.2d 106, 109, to the effect that requirements by the Patent Office for division "should not be lightly overruled". On page xii, Appendix III, of its brief the defendant argues that different legal principles prevail in the Court of Customs and Patent Appeals than in suits relating to infringement. As though the Court of Customs and Patent Appeals would hold an invention to be patentable the patent for which, under different legal principles, would later be invalidated by the courts in an infringement suit! In any event, the District Court cited (467a) two further decisions, in infringement suits, *General Electric Co.* v.

F. R. Mallory & Co., Inc., 2 Cir., 1924, 298 F.579, 584 and *Badische Anilin & Soda Fabrik* v. *A. Klipstein & Co.*, S.D.N.Y., 1903, 125 F.543, 554. There are also further decisions to the same effect, *National Tube Co.* v. *Steel & Tubes, Inc.*, 3 Cir. 1937, 90 F.2d 52, 54, *Montgomery Ward & Co., Inc.* v. *Gibbs*, 27 F.2d 466, 469.

The principle of these decisions has since been incorporated in Section 121 of the new Patent Act, 35 U.S.C. (1952). This Section 121 provides in part, that a patent (2,133,642) issuing on an application in which the Patent Office required division, or a patent (1,789,496) issuing on the divisional application filed in response to such requirement,

> shall not be used as a reference * * * in the courts against * * * any patent issued on either of them.

It appears that, in the three cases cited at the bottom of page 25 and the top of page 26 of the defendant's brief, the divisional application was filed of the applicant's own volition. In *Industrial Mfg. Co.* v. *Wilcox & Gibbs Sewing Mach. Co.*, 112 F.535, 536, for example, the parent and the division "A" applications were filed "at the same time". The new statute does not, however, apply, excepting only when the divisional application is required by the Patent Office to be filed.

Attention is invited also to p. 2 (R. 682a) of the Petition for Rehearing and Request for Clarification, inviting attention to the fact that the Court of Appeals for the First Circuit has overlooked also Section 121 of the Patent Act of 1952.

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APR 27 1954
HAROLD B. WILLEY, Clerk

IN THE

Supreme Court of the United States

October Term, 1953

No. 605

GEORGE WASHINGTON PIERCE, *Petitioner*,

v.

AMERICAN COMMUNICATIONS COMPANY, INC., *Respondent*.

PETITION FOR REHEARING OF ORDER DENYING PETITION FOR WRIT OF CERTIORARI

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PETITION FOR REHEARING OF ORDER DENYING PETITION FOR WRIT OF CERTIORARI

The petitioner, Professor George Washington Pierce, prays that this Court grant rehearing of its order of April 12, 1954, denying the petition for a writ of certiorari in the above-entitled case.

This petition is based upon two substantial grounds: first, an intervening additional decision; and, secondly, a constitutional question not previously presented.

FIRST, THE INTERVENING ADDITIONAL DECISION

After its decision in this case, the Court of Appeals for the First Circuit handed down a further decision, *Brisk Waterproofing Co., Inc.* v. *A. Belanger & Sons, Inc.*, 209 F.

2d 169, 172, reported in the Advance Sheets of the Federal Reporter, dated March 1, 1954, in which the Court of Appeals for the First Circuit repeated the precise holding in the case at bar. These two decisions are in direct conflict with the law in the other circuits which give effect to the well-established doctrine of enforceability of a valid patent notwithstanding reliance placed upon an expired patent.

This conflict arises for the reason that the Court of Appeals for the First Circuit has not once but twice misinterpreted this Court's dictum in the Saranac case to the effect that the public is free to use the invention of an expired patent. In this dictum, this Court did not mean that the public, in the use of an invention of an expired patent, could infringe with impunity other applicable unexpired valid patents. In the Saranac case, the patent in suit was held by this Court not to be valid, and the dictum, therefore, was appropriate in that situation. Here, however, the unexpired patent 2,133,642 involved is admittedly valid and the dictum is accordingly not applicable.

The Court of Appeals for the First Circuit is now in hopeless conflict with the other circuits. (See the cases cited from the Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Circuits, p. 26 et seq. of Petition for Writ of Certiorari, and the large number of decisions *since* the Saranac case, pp. 6, 7, of Petitioner's Reply Brief.)

As a consequence of this conflict, the status of tens of thousands of existing patents and of countless future patents will hereafter depend upon whether those patents are litigated in the First Circuit or other circuits.

SECOND, THE CONSTITUTIONAL QUESTION NOT PREVIOUSLY PRESENTED

The petitioner did not point out in his petition for certiorari that, under the decision of the Court of Appeals for the First Circuit, the petitioner has been deprived of his property rights in an admittedly valid patent 2,133,642,

granted pursuant to Sections 4884 and 4888 of the Revised Statutes, in violation of accepted principles of law and the applicable statutes, and without due process of law, contrary to the Fifth Amendment to the Constitution of the United States.

Petitioner Has Been Deprived of His Property Rights in an Admittedly Valid Unexpired Patent.

This precise consitutional question, the deprivation of a property right in an admittedly valid patent, was decided by this Court in *Richmond Screw Anchor Company* v. *United States,* 275 U.S. 331.

In that case, the Court of Claims, p. 338, held that, since Section 3477 of the Revised Statutes voided an assignment of a patent, the assignee could not recover in the Court of Claims under the provisions of the Act of 1918 for infringement of the assigned patent, notwithstanding the admitted validity of the patent. In the present case, the Court of Appeals for the First Circuit has similarly held that, in view of the Saranac and the Miller v. Eagle Manufacturing Company decisions of this Court, the petitioner cannot recover for infringement of his own admittedly valid patent 2,133,642.

Mr. Charles E. Hughes, at the bar, argued, p. 333, that that decision of the Court of Claims

> "would appear to be taking private property for public use without due process of law or just compensation,"

and Mr. Chief Justice Taft, speaking for a unanimous Court, said, p. 345:

> "If now section 3477 applies and these assignments are rendered void, the effect of the Act of 1918 is to take away from the assignee and present owner not only the cause of action against the Government, but also to deprive it of the cause of action against the infringing contractor for injury by his infringement."

Mr. Chief Justice Taft continued:

> "It is an attempt to take away from a private citizen his lawful claim for damage to his property by another private person which but for this act he would have against the private wrongdoer. This result, if 3477 Rev. Stats. applies and avoids the assignment, would seem to raise a serious question as to the constitutionality of the Act of 1918 under the Fifth Amendment to the Federal Constitution."

The decision of the Court of Appeals for the First Circuit in this case has similarly deprived the petitioner of his patent property without due process of law, contrary to the Fifth Amendment, through its misinterpretation of this Court's decisions in the Saranac and the Miller v. Eagle Manufacturing Company cases, and its refusal to give effect to Section 121 of the New Patent Act.*

The decision of the Court of Appeals for the First Circuit is directly contrary to the holding in the Richmond Screw Anchor Company case.

Petitioner Has Been Deprived of His Property Rights Created by Contract With the Government.

This precise constitutional question was also decided by this Court in many cases (See the *Gold Clause* cases, *Perry* v. *U.S.*, 294 U.S. 330, 350 and the *Sinking Fund* cases, 99 U.S. 700, 719) holding that the Government may not deprive a citizen of his property rights, created by contract with the Government, without violating the due-process clause of the Fifth Amendment.

In the instant case, the petitioner acquired property rights in patent 2,133,642 by disclosing his Pierce-oscillator invention, in compliance with the provisions of Revised Statutes, Sec. 4888. In consideration for this disclosure to

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* There has already occurred a conflict of decisions as to the construction of the New Patent Act, see p. 15 of the Petitioner's Reply Brief. This is a conflict *additional* to that described on p. 2, supra.

the public, the Government, under the provisions of Sec. 4884 of the Revised Statutes, granted petitioner full protection for a seventeen-year term. (See the Petition for Certiorari, pp. 40-42, and the petitioner's Reply Brief, pp. 11-12.) By the ruling of the Court of Appeals for the First Circuit, petitioner has been deprived of a substantial portion of that seventeen-year term.

CONCLUSION

For the reasons set forth above and in the petition for certiorari, therefore, it is respectfully urged that rehearing be granted and that upon such rehearing a writ of certiorari be issued to the Court of Appeals for the First Circuit as prayed for in the petition for certiorari filed herein.

Respectfully submitted,

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CERTIFICATE OF COUNSEL

I hereby certify that the above petition for rehearing is presented in good faith and not for delay, and that it is restricted to grounds specified in Rule 33 (2) of the rules of this Court.

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Attorney for the Petitioner